
Columbus Municipal Airport

2014 Annual Report





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This Annual Report is prepared for the citizens of the City of Columbus and the following 2014 public officials:

Columbus Mayor:
The Honorable Kristen Brown

Columbus City Council:
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Ryan Brand
Frank Jerome
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Executive Summary

Overview from Airport Director Brian Payne

This year was a tremendous success for the Airport, both on the landside and the airside. The Board took steps toward long term success by implementing a new future land use plan targeting potential growth for 2014 and extending for many years to come.

The Airport earned both regional and national awards for safety, produced an aviation event to a scale not seen since 1982, and brought unprecedented development to both sides of the fence. The Airport Board completed the many projects outstanding from the previous year including the self-fuel farm, the Museum expansion, and the design and bidding of the Airport Terminal renovation. Because of the planning efforts of the Board, improvements will continue to occur throughout 2015 including a more than \$5 million dollar investment into the runway surface which will bring increased traffic and a higher level of safety for decades.

Economic Development

The Airpark continued to make great strides in 2014 attracting numerous new businesses who see the Airpark as a place for growth and opportunity. Companies including SIHO, CRH Internal Medicine, and Frasier Chiropractic and Sports Medicine have invested into buildings on the Airpark making a more stable environment for future retail and commercial development to occur. All of these developments will also bring new clientele to the property and expose additional residents to the possibilities that exist.

After years of planning and cooperation from numerous entities, student housing finally broke ground in September of 2014 for a May 2015 completion. The Annex of Columbus will provide 112 beds to individuals from any of the five higher education campuses located on the Airpark at a reduced rate to other rental units in Columbus. This \$5 million dollar development will bring the full campus experience to Columbus and provide excellent opportunities to students and institutes alike.





Two Airport owned buildings that had sat vacant for years were leased in 2014. The Bricklayers Union of Indiana and Kentucky will provide apprentice training for 32 counties out of one building while RSVP Veneer has leased another 34,000 sq ft building and brought with it numerous jobs to the area.

The expansion of the Atterbury-Bakalar Air Museum was completed in April of 2014 with generous support from the Mayor and \$150,000 from the Airport Board. This expansion more than doubled the size of exhibit space and helps to capture and promote the rich Columbus aviation history for years to come.

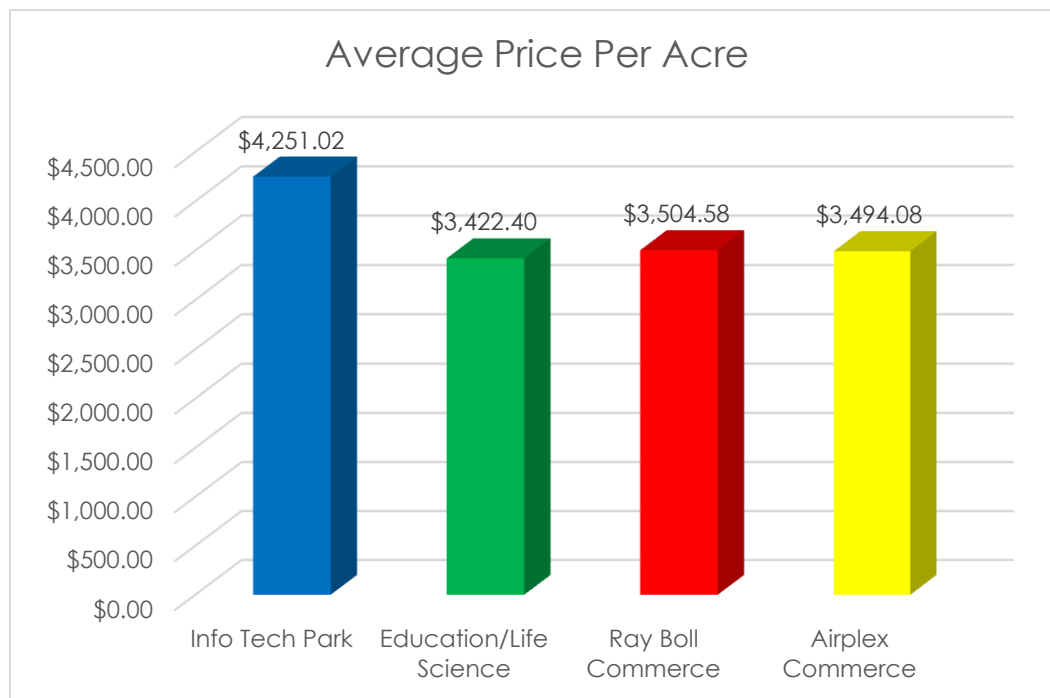
The Airport continues to take steps to further develop the Walesboro property as well as add additional aviation related businesses around the Airport grounds to continue to increase our economic impact to the City of Columbus.

2012 Indiana Economic Impact Study

		On-Airport	Airport Users	Multiplier	Total
Indianapolis International	<i>Jobs</i>	9430.8	6535.8	4975.6	20942.2
	<i>Payroll</i>	\$540,800,795	\$588,394,083	\$290,778,983	\$1,419,973,861
	<i>Output</i>	\$1,466,680,045	\$2,092,694,033	\$1,015,482,750	\$4,574,856,838
South Bend Regional	<i>Jobs</i>	471.7	3231.7	2846.1	6549.5
	<i>Payroll</i>	\$21,880,862	\$263,232,362	\$110,204,721	\$395,317,945
	<i>Output</i>	\$66,031,256	\$1,331,948,464	\$321,463,504	\$1,719,443,224
Fort Wayne International	<i>Jobs</i>	873.2	2711.6	1366.8	4951.6
	<i>Payroll</i>	\$48,114,851	\$169,731,529	\$54,960,934	\$282,807,243
	<i>Output</i>	\$100,547,348	\$714,400,955	\$160,502,174	\$975,450,477
Evansville Regional	<i>Jobs</i>	148.5	3124.8	1300.9	4574.2
	<i>Payroll</i>	\$10,963,480	\$197,536,719	\$50,740,890	\$259,241,089
	<i>Output</i>	\$25,143,966	\$765,833,952	\$154,951,530	\$945,979,448
Warsaw Municipal (Warsaw)	<i>Jobs</i>	14	2872.5	2066	4952.5
	<i>Payroll</i>	\$817,511	\$287,924,970	\$71,056,352	\$359,798,833
	<i>Output</i>	\$2,600,503	\$655,973,902	\$200,314,650	\$858,889,055
Columbus Municipal Airport (Columbus)	<i>Jobs</i>	46.5	2542.2	1304	3892.7
	<i>Payroll</i>	\$2,926,648	\$196,781,797	\$49,902,726	\$249,611,171
	<i>Output</i>	\$10,847,132	\$494,915,120	\$144,837,086	\$650,599,338



The Airpark is poised and ready for future development. The Airport Board will be focusing the efforts of 2015 on retail development by releasing an RFP for Retail in January and will continue to work with the higher educational institutes on eliminating barriers preventing individuals from pursuing higher education. The Board conducted a survey on childcare needs in 2014 and will possibly pursue an RFP in late 2015. The chart below depicts the average price per acre of developed land.



The Airport side of the fence is also ready for future development by both private individuals and corporate flight departments with lease rates on land averaging \$3,220 per acre. Availability for future industrial development at Walesboro currently consists of 507 open and accessible acres!

Airfield Improvements

The Airport Board kept focused on their mission and vision in 2014 for the long term success of the Airport.

Mission: To maximize safe, efficient, high quality access to the global airspace system for the betterment of Columbus and South Central Indiana.

Vision: To be the airport that provides the greatest possible benefit for all aviation users while enhancing business and educational opportunities for Columbus and South Central Indiana.



The Board pushed forward with many capital expenditure items including replacing the Terminal roof, replacing the round top hangar doors, fixing roof leaks on numerous hangars, and installing new gutters on the T-hangars.

The Board also spent 2014 planning the design and bidding for Terminal renovation with both Ivy Tech Interior Design students and Rowland Design professionals. Terminal renovation will begin in early January 2015 with an anticipated April 2015 completion.



The Aircraft Rescue and Firefighting (ARFF) trainer established in 2013 played a critical role in the development of training opportunities for Columbus Fire Station 2. The innovation of the trainer, and ultimately the utilization, earned Captain Andy Lay the AAAE Great Lakes Chapter ARFF Achievement Award in fall 2014.





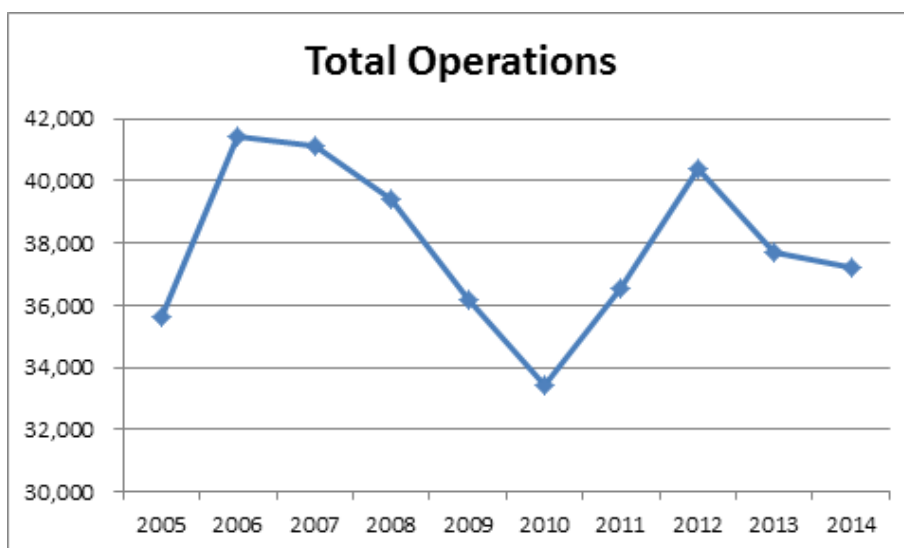
A harsh 2013-2014 winter was made slightly brighter as the Airport maintenance staff earned the Balchen/Post award for excellence in snow and ice control. This national award is given to a general aviation airport with less than 50,000 operations. This size and type of airport constitutes the vast majority of airports from Alaska to Maine and the entire staff was honored to be chosen.



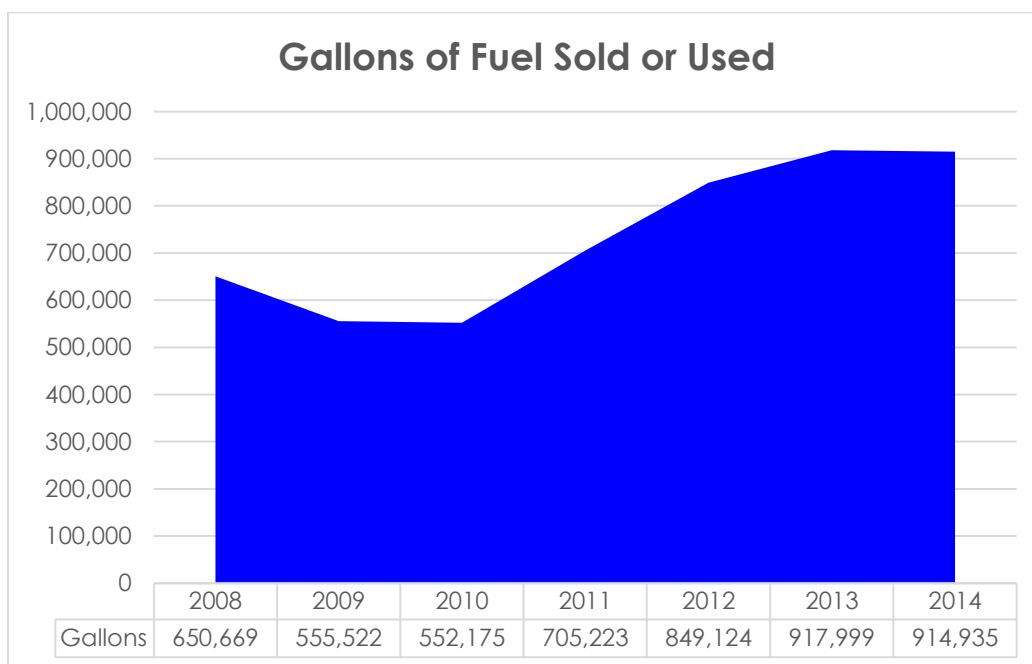
The Airport welcomed Travel Management as a new Airside business in 2014. Travel Management will provide point to point charter service with their fleet of 70 plus jets that are based around the country. The company will base one King Air turboprop at Columbus and will look to increase that number in the near future. This new regional sales office will provide an opportunity for Columbus based companies to get to their destination and back in a more convenient and quicker fashion than using the traditional airlines.

The Airport remained busy with operations ranging from small single engine aircraft to a C5 Galaxy, the US military's largest aircraft. The chart below depicts our operations over the past 10 years ending with last year's number of 37,242. A harsh winter in early 2014 put operations behind and, even with an extraordinary Aviation Day operations count of over 830, we were not able to catch up to the 2013 count. We look forward to 2015 and believe the self-fuel farm and Ivy Tech program will make our operations soar!





The price of full-service fuel locally remained competitive with surrounding airports in 2015. The introduction of the self-fuel farm in June allowed transient aircraft as well as based aircraft a second choice. It is for these reasons that the Airport had the second highest fuel sold or used on the property and behind the 2013 numbers by only 3,064 gallons or 1/3 of one percent.





The self-fuel farm project had been a topic of discussion for many years and finally came to fruition in June of 2014. An initiative that expected to bring approximately 8,000 gallons of fuel sold per year resulted in 20,779 gallons sold from June 6th through the end of December. The 570 transactions also represented an estimated 850 additional operations to the Airport.



Our Airport Capital Improvement Plan (ACIP) establishes project priorities for future airport improvement needs. The Airport will focus all efforts on the rehabilitation of runway 14/32 as that pavement is beyond its useful life. The Airport received a grant of over \$2.4 million dollars from the FAA in the fall of 2014. Unfortunately, due to grant fund timing, construction on the runway will not begin until spring of 2015. The second installment of funding for the runway rehabilitation project will occur in the summer of 2015 with a full completion of the runway by fall of 2015.

Some of the other top items for which funding is needed in the future are: Installation of a Wildlife/Security Fence, Rehabilitation of Taxiways A3/A4, C, and W; Realignment of Taxiway Charlie and Alpha; Construct Air Traffic Control Tower.

Air Traffic Control Tower

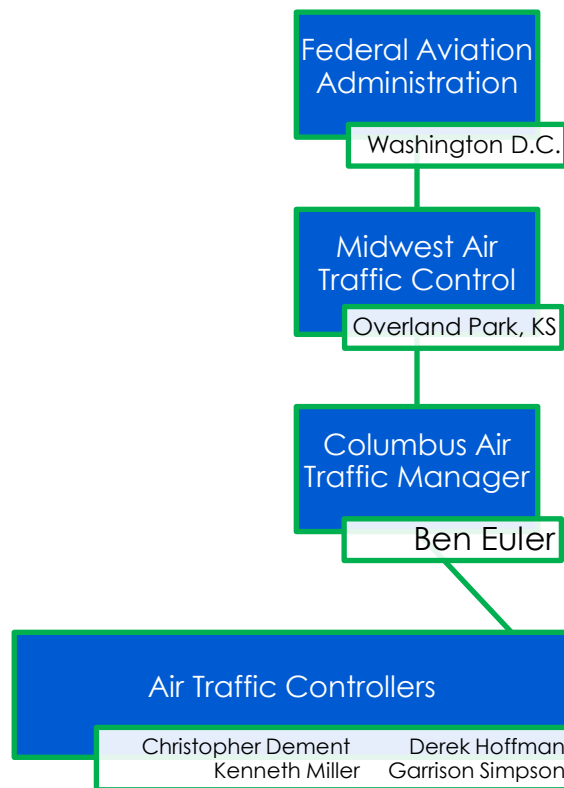
Tower funding continues to be on everyone's mind as federal budgets cuts threatened to close 149 towers in 2013. Funding was restored and the government has had a strong and continued backing of the contract tower program in 2014 and into 2015.

The Airport's existing tower is over 60 years old and does not meet many of the most basic requirements including adequate restroom facilities, ADA access, wind loading, adequate space, and proper heating and cooling equipment.



The Airport intends to take positive steps towards construction of a new control tower. Both the siting study and environmental impact study have been completed and the Board will work together with Cummins Foundation on making the tower design a top priority in the coming year.

The Board will also lobby for additional funding from State and Federal agencies to construct the tower. Interior design is expected to take place during 2015 with the hope of exterior design in 2015 and construction in 2016. All of this is contingent upon finding matching funds as the Airport cannot afford to build the tower and retain a positive cash flow. Below is an organizational chart for the Control Tower:



Community Relations

The Airport continues to reach out to the general public and showcase the many positive attributes of our development. From attending Chamber events to speaking at numerous civic organizations and even joining Leadership Bartholomew County, the Airport has never had so much public involvement and it is really starting to show by the overwhelming support from the public. We have continued the Intra-Airpark



Council which was created to allow Airpark businesses an opportunity to communicate and work with one another.

Airport Administration again gave school class tours to over 400 children on-site and participated in the Clifty Creek Family Flight Night with a rocket balloon activity. The Airport participated in multiple internships for both Aviation and Marketing interns from Purdue, ISU, IUPUC, and Ivy Tech and continued our involvement in the Young Eagles and First Flight Programs.

The first aviation based event in many years and the largest since 1982, Aviation Day 2014 was a huge success with an estimated 3,800 people in attendance and activities ranging from rides in a B-17 to car shows and bounce houses. Aviation Day 2015 is already lining up to be quite an event with the headlining Ford Tri-motor aircraft.



Budget

The Airport ended the year within budget while also continuing to maintain a \$3+ million dollar cash reserve sufficient to address issues that could not be foreseen but which may well have safety or time critical aspects. We continue to look for ways to cut expenses and increase efficiencies while maintaining the Airport's 3,000 acre infrastructure.

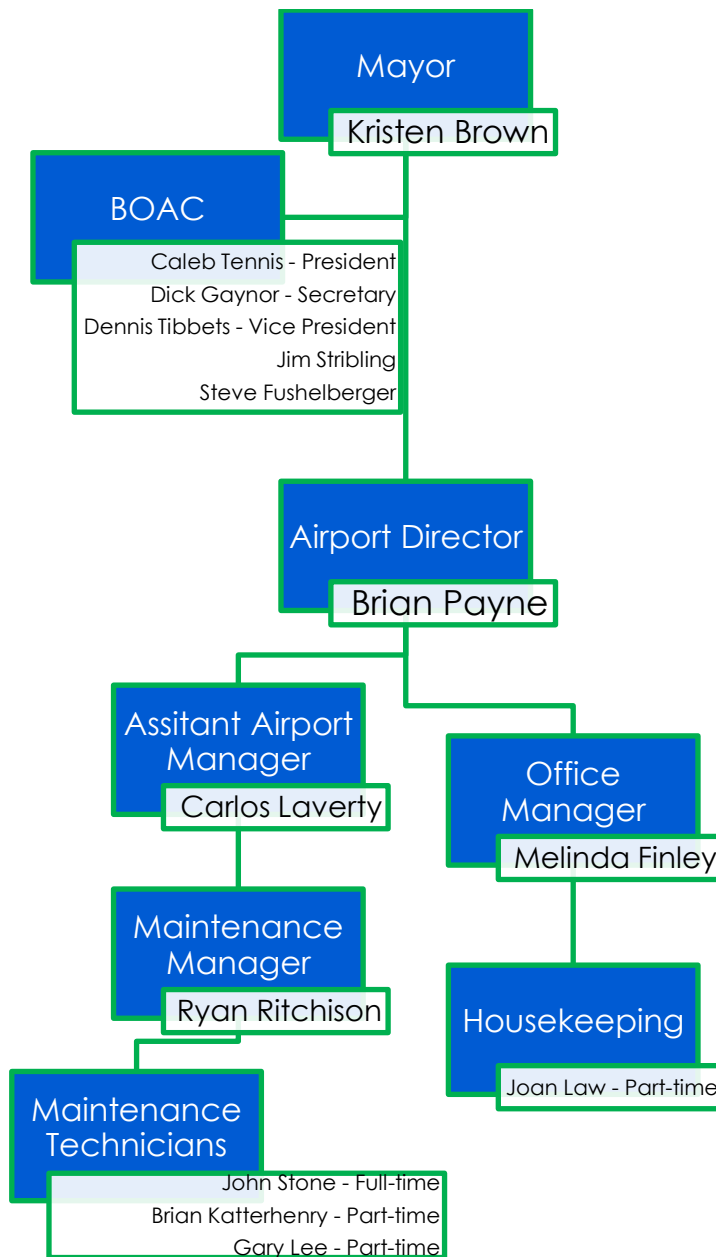
Utilizing in-house maintenance staff, the Airport was able to paint several Airport owned hangar surfaces and replaced panels on the WWII era round-top hangar. This was completed for a savings of thousands of dollars and creates an opportunity for the Airport to lease this hangar in the future for an even greater revenue gain.

It was found in 2014 that the bill for the tower and terminal gas usage were inaccurately swapped and has been for years. Tenants of the terminal, paying a % of usage based on sq. ft., will now be billed at the



correct amount which will represent between 5 and 6 times more reimbursement revenue back to the Airport.

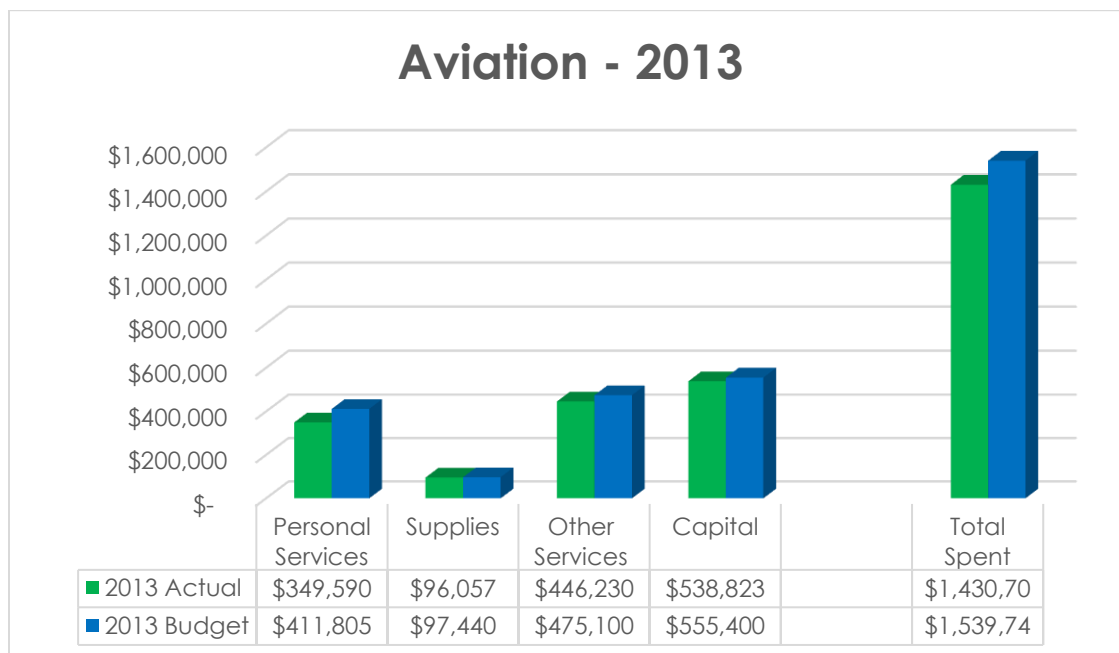
The Airport Administrative staff identified a savings utilizing City waste disposal saving over \$700/year over an existing contract that has been in place for years. Staff has also identified 8.71 acres of land that was previously mowed by maintenance staff bi-weekly to be placed into farm ground therefore turning an expense into a profit of approximately \$1,700 per year.





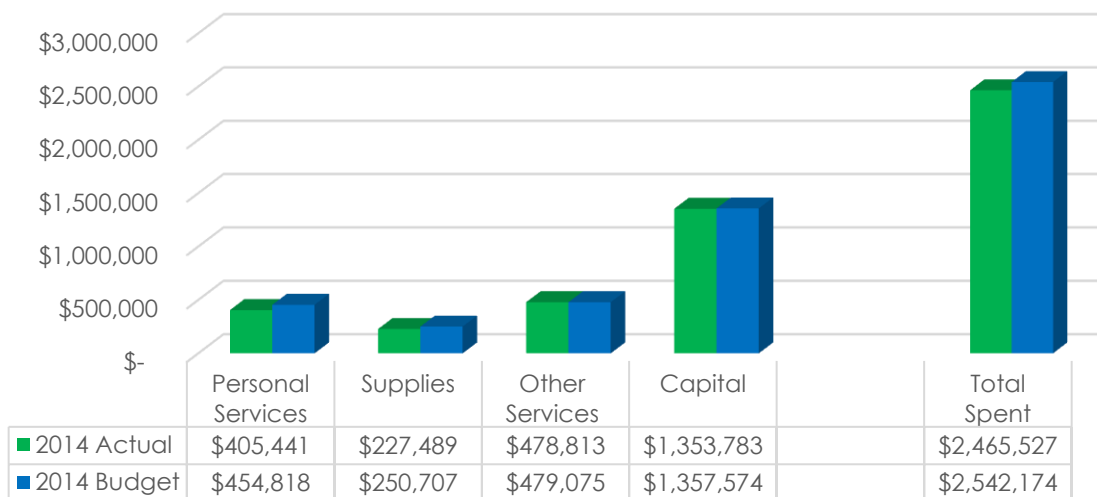
The Board continued to focus their efforts on Capital expenditures in 2014 by tackling the Terminal roof that has leaked for years. This \$80,000 expense was needed before the Airport Board could put funding into the \$750,000+ Terminal renovation which will take place in January 2015. The Board invested funds into new gutters on the T-hangars and made a significant safety improvements by eliminating power poles and lines adjacent to taxiway H and purchasing approximately 32 acres off the end of runway 14/32. All of these expenditures will have lasting effects on the Airport for many years to come.

A significant expense to the Airport remains the cost of fuel for snow removal equipment and mowing equipment for the property. In an attempt to curb the usage of mid-sized equipment all year, the Board is taking a hard look at introducing larger more time efficient equipment in the winter and small more fuel conscious equipment during the summer. The Board took two steps in this direction in 2014 by investing in a small Kubota utility vehicle for maintenance staff to use around the property in the summer and purchasing a box blade to allow for more efficient snow removal from the main ramp. The illustration below outlines the 2013 and 2014 budgets which are particularly focused on Capital expenses.





Aviation - 2014



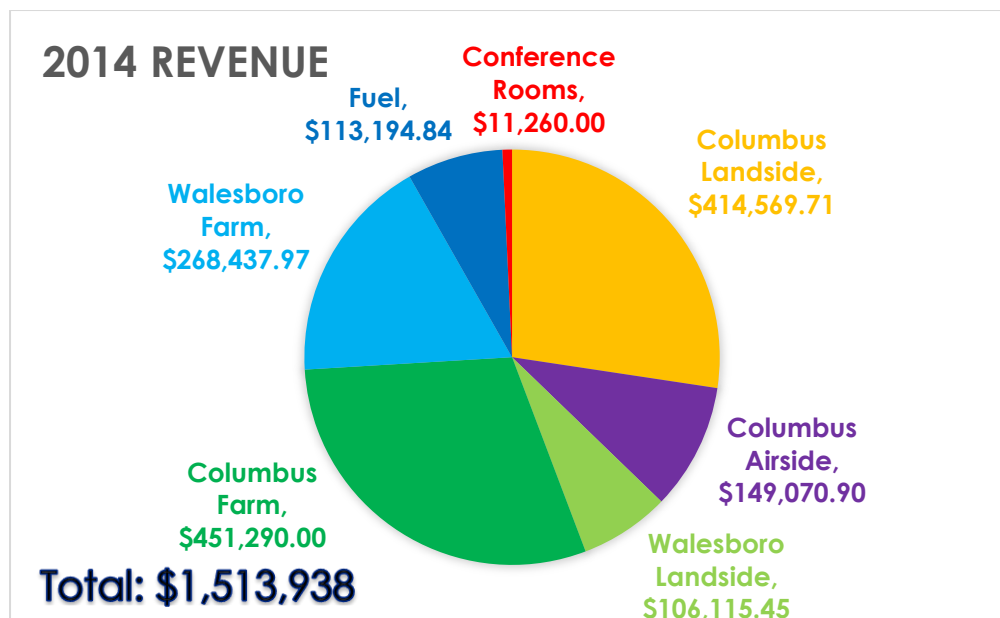
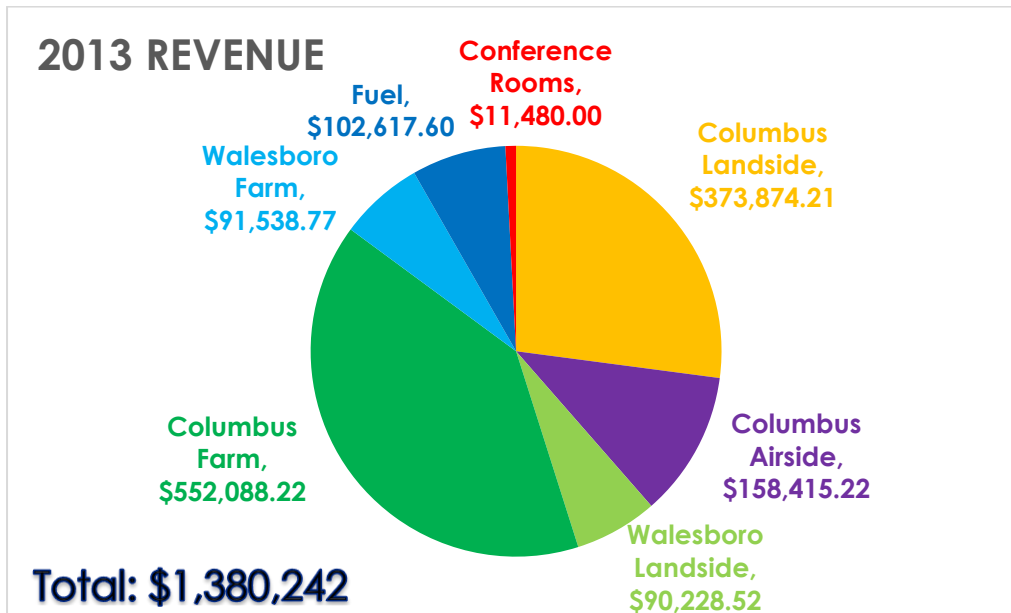
The Airport Board continually tracks and attempts to increase revenue from every source possible on Airport property. The Airport Board was extremely successful in renegotiating leases to benefit the Airports revenue in 2014. Leases on Airport owned buildings #45 and #49 were more than doubled while Hangar 5 Restaurant lease was renegotiated to benefit both parties. The Airport now makes money off of every plate served in the restaurant. This allows the Airport to benefit off of additional marketing efforts and building upgrades. The restaurant had a record year of 80,806 plates served in 2014!

As discussed earlier in this document, the Board also was able to lease the last remaining vacant buildings owned by the Airport. The building upgrades made in 2013 paid off for the Board by leasing both buildings and profiting \$2,800 per month on those two leases.

While farming revenue appears unpredictable when comparing year to year numbers due to our cash accounting system vs. the farming year cycle, it is a stable stream of revenue. Dry land production averaged \$195.89 per acre while irrigated land had a very successful year averaging \$502.01 per acre. Seed corn production topped the list again with \$624.46 per acre while tomatoes at \$598.73 and wheat/double crop soybeans were not far behind at \$527.23. We look forward to a successful year in 2015 locking in a cantaloupe/watermelon harvester at \$650 per acre! The first time such crops will be planted at



the Airport, it's already earning additional kudos from the FAA and USDA on the attempt to eliminate bird issues from the property.





2015 Goals

While the Airport had unprecedented success in 2014, the Board envisions the 2015 year to be just as spectacular with many new and exciting projects on the horizon. The Terminal Building remodel will take center stage as the original 80's décor will be replaced with a modern Columbus feel. The first and last impression of Columbus will shine bright when the project is completed in April 2015!

The future potential of this Airport, both airside development as well as landside additions, is undoubtedly a driving force for the City of Columbus. The Airports current Board Members and Administrative staff have a vision on moving forward to greater heights.

Our continued support and interest in education, particularly aviation education, will make large strides in 2015 with the January debut of an aviation operations program through Ivy Tech. Student Housing and associated sidewalk project will be completed in May 2015 for Cummins interns and then August will debut the first true student housing for all five higher education institutes on property. Another initiative to aide in student development and eliminate barriers will be an RFP for Childcare Facility expected in the fall of 2015.

Retail and Commercial development will be a strong push for 2015 as demand grows for additional restaurant opportunities close to campus and businesses on the Airpark. The RFP will be released in January with hopes of finding a developer by summer 2015.

Agriculture will again play a lead role on maintaining a positive cash flow and we will look at possibilities for capturing additional revenue from that source. Innovative plantings such as tomatoes, cantaloupe, watermelon, and pumpkins are being positively viewed upon by the USDA and FAA.

Turning toward the airside, the Airport will have a significant investment and project when runway 14/32 receives a complete restoration starting in the spring of 2015. This \$5+ million dollar project will remove 10" of asphalt and be rebuilt with 10" of concrete, runway grooving to increase all weather capability, and add additional drainage to insure the runway will last for decades to come.



This Airport has so much potential and it will be working together, hand in hand, with Local, State, and Federal officials to ensure that the Columbus Municipal Airport has a high flying future for years to come!

The following are just a few of the many strategic plan initiatives for 2015:

- Plan for New Control Tower
- Host AAI Quarterly Meeting on April 16
- Runway 14/32 Reconstruction
- RFP for Retail Development
- Recruit in Additional Aviation Related Businesses
- Aviation Day on June 13
- Establish “Columbus Aerotropolis”
- RFP for Childcare Facility
- Terminal Renovation
- Earn Indiana Airport of the Year Award
- Encourage Future Hangar Growth